

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 2/26/2013	(3) CONTACT/PHONE Amy Olson, ASOII, 781-4729	
(4) SUBJECT Request to approve 1.) an amendment to the Fiscal Year 2012-13 executed contract with Davis Guest Home, Inc.(Clerk's File) to increase the maximum contract amount by \$94,987 and 2.) an amendment to the Fiscal Year 2012-13 executed contract (Clerk's File) with C and D's Guest Homes, Inc. to increase the maximum contract amount by \$15,684, to provide residential board and care and social support services to additional clients with serious mental illness.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct Chairperson to sign 1. an amendment for Davis Guest Home, Inc. to the Fiscal Year 2012-13 executed contract to increase the maximum contract amount by \$94,987, and 2. an amendment for C and D's Guest Homes, Inc. to the Fiscal Year 2012-13 executed contract to increase the maximum contract amount by \$15,685 to provide residential board and care and social support services to adults with serious mental illness.			
(6) FUNDING SOURCE(S) Medi-Cal/Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$248,984.00	(8) ANNUAL FINANCIAL IMPACT \$248,984.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001234 & 19001235		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP No	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date <u>06-19-12</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Karen Baylor, Ph.D., MFT, Behavioral Health Administrator

DATE: 2/26/2013

SUBJECT: Request to approve 1.) an amendment to the Fiscal Year 2012-13 executed contract with Davis Guest Home, Inc.(Clerk's File) to increase the maximum contract amount by \$94,987 and 2.) an amendment to the Fiscal Year 2012-13 executed contract (Clerk's File) with C and D's Guest Homes, Inc. to increase the maximum contract amount by \$15,684, to provide residential board and care and social support services to additional clients with serious mental illness.

RECOMMENDATION

It is recommended that the Board approve and direct Chairperson to sign 1. an amendment for Davis Guest Home, Inc. to the Fiscal Year 2012-13 executed contract to increase the maximum contract amount by \$94,987, and 2. an amendment for C and D's Guest Homes, Inc. to the Fiscal Year 2012-13 executed contract to increase the maximum contract amount by \$15,685 to provide residential board and care and social support services to adults with serious mental illness.

DISCUSSION

Davis Guest Home, located in Modesto, and C and D's Guest Homes, located in Merced, are board and care facilities that provide residential and social support services to adults with serious mental illness. Both homes provide a higher level of support services than those provided at American Care Home I, the board and care facility located in our county, and yet provide a residential step-down from an Institution for Mental Disease (IMD). Augmented residential programs, like those offered at these homes, provide an alternative for clients ready to transition to a slightly lower level of care than that provided at an Institution for Mental Disease (IMD) facility but not yet ready for more independent living situations.

These homes each provide a highly structured environment, extensive socialization programs, and onsite psychiatrist coverage. Davis Guest Home's higher intensity level programs are geared toward the special needs of the newly transferred IMD clients, while C and D's Guest Homes is geared toward the special needs of clients who are dual-diagnosed with both mental illness and a developmental disability. The Behavioral Health Department has utilized the Davis Guest Home program since December of 2003 and the program at C and D's Guest Homes since February 2012. As clients demonstrate stability in this setting, the County residential case manager evaluates transferring clients to more independent living arrangement within San Luis Obispo County.

The Behavioral Health Department recommends amendments to the contracts with Davis Guest Home, Inc. and C and D's Guest Homes, Inc. to allow the payment of anticipated costs for residential board and care, social support, and outpatient mental health services to adults with serious mental illness. The original contracts were approved June 19, 2012; Davis Guest Home, Inc. for \$95,813, and C and D's Guest Homes, Inc. for \$42,500. Each contract was based on a projected average of 3.5 clients residing at Davis Guest Home and 1 client residing at C and D's Guest Homes, Inc. utilizing basic care services. There are currently 7 county clients residing in Davis Guest Home, and the one client at C and D's Guest Homes requires a higher level of service and has been utilizing costlier augmented care. All of these clients were transferred to Davis Guest Home, Inc. and C and D's Guest Homes, Inc. from costlier, higher-level placements such as acute hospitals and locked IMDs. Most were considered to be too difficult to manage in more independent settings. Davis Guest Home and C and D's Guest Home have had success in managing more difficult clients in a more independent setting has not only greatly benefitted the clients, but allowed Behavioral Health to achieve savings in IMD costs.

The increase in cost for Davis Guest Home, Inc. is due to the higher number of bed days anticipated to be purchased. The original contract purchased 1,278 bed days and with the increase in transfers to this facility from IMDs, the contract amendment will allow the County to purchase 2,544 bed days for the remainder of the contract period. The increase in cost for C and D's Guest Home, Inc. is due to the higher than anticipated cost of care for the client residing at the facility. The original contract purchased 337 days of regular care and 28 days of augmented care, the contract amendment will allow the County to purchase 267 regular care and 98 augmented care days for the remainder of the contract period. Although the utilization for Davis Guest Home, Inc. and C and D's Guest Homes, Inc. exceed the initial contract and budget, the overall utilization for IMD and Board & Care is within the initial estimates for all adult residential care facilities.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contract amendments as to form and legal effect.

FINANCIAL CONSIDERATIONS

The original contract for Davis Guest Home, Inc. was approved and budgeted for \$95,813. The contract amendment is adding \$94,987 for a total amended amount of \$190,800. The original contract for C and D's Guest Homes, Inc. was approved and budgeted for \$42,500. The contract amendment is adding \$15,684 for a total amended amount of \$58,184. The additional amount will be fully funded through savings in FY 2011-12 budgeted IMD costs.

RESULTS

There are currently 7 clients residing in Davis Guest Home and 1 client residing in C and D's Guest Homes. Davis Guest Home and C & D's Guest Homes assist the Behavioral Health Department's performance objectives by helping clients be as functional and productive as possible in the least restrictive and least costly environments. By providing these individuals with the opportunity to be successful in progressing toward a more independent lifestyle and integrate into the community. Providing the most appropriate services to the clients increases the probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Clerk's Filed Coversheet Davis & C&D's 2012-13 Contract Amendments